



See a Social Security Number? Say Something!  
Report Privacy Problems to <https://public.resource.org/privacy>  
Or call the IRS Identity Theft Hotline at 1-800-908-4490



Form 990

## Return of Organization Exempt From Income Tax

2012

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public Inspection

A For the 2012 calendar year, or tax year beginning 07-01-2012, 2012, and ending 06-30-2013

B Check if applicable

Address change

Name change

Initial return

Terminated

Amended return

Application pending

C Name of organization  
SADDLEBACK MEMORIAL FOUNDATION

Doing Business As

Number and street (or P O box if mail is not delivered to street address) Room/suite  
24451 HEALTH CENTER DRIVE  
SuiteCity or town, state or country, and ZIP + 4  
LAGUNA HILLS, CA 92653

D Employer identification number

33-0011887

E Telephone number

(949) 452-3680

G Gross receipts \$ 48,299,300

F Name and address of principal officer  
CECILIA BELEW  
24451 HEALTH CENTER DRIVE  
LAGUNA HILLS, CA 92653

H(a) Is this a group return for affiliates?

 Yes  NoH(b) Are all affiliates included?  Yes  No  
If "No," attach a list (see instructions)

H(c) Group exemption number ► 5661

I Tax-exempt status  501(c)(3)  501(c) ( ) (insert no)  4947(a)(1) or  527

J Website: ► WWW MEMORIALCARE.ORG

K Form of organization  Corporation  Trust  Association  Other ►

L Year of formation 1979

M State of legal domicile CA

## Part I Summary

1 Briefly describe the organization's mission or most significant activities

TO DEVELOP THE PHILANTHROPIC RESOURCES NECESSARY TO STRENGTHEN THE ABILITY OF SADDLEBACK MEMORIAL MEDICAL CENTER TO ENHANCE THE HEALTH AND WELL-BEING OF INDIVIDUALS, FAMILIES, AND OUR COMMUNITY

2 Check this box ► if the organization discontinued its operations or disposed of more than 25% of its net assets

|   |    |    |
|---|----|----|
| 3 Number of voting members of the governing body (Part VI, line 1a) . . . . .             | 3  | 21 |
| 4 Number of independent voting members of the governing body (Part VI, line 1b) . . . . . | 4  | 18 |
| 5 Total number of individuals employed in calendar year 2012 (Part V, line 2a) . . . . .  | 5  | 0  |
| 6 Total number of volunteers (estimate if necessary) . . . . .                            | 6  | 19 |
| 7a Total unrelated business revenue from Part VIII, column (C), line 12 . . . . .         | 7a | 0  |
| b Net unrelated business taxable income from Form 990-T, line 34 . . . . .                | 7b | 0  |

|   |            |              |
|---|------------|--------------|
| 8 Contributions and grants (Part VIII, line 1h) . . . . .                                     | Prior Year | Current Year |
| 9 Program service revenue (Part VIII, line 2g) . . . . .                                      | 6,585,180  | 3,727,785    |
| 10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) . . . . .                    | 0          | 0            |
| 11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) . . . . .         | 2,694,891  | 6,229,800    |
| 12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) . . . . . | -8,839     | -13,427      |
|   | 9,271,232  | 9,944,158    |

|  |            |              |
|--|------------|--------------|
| 13 Grants and similar amounts paid (Part IX, column (A), lines 1-3) . . . . .                  | Prior Year | Current Year |
| 14 Benefits paid to or for members (Part IX, column (A), line 4) . . . . .                     | 6,585,180  | 3,727,785    |
| 15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) . . . . . | 0          | 0            |
| 16a Professional fundraising fees (Part IX, column (A), line 11e) . . . . .                    | 2,694,891  | 6,229,800    |
| b Total fundraising expenses (Part IX, column (D), line 25) ► 988,110                          | -8,839     | -13,427      |
| 17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) . . . . .                      | 9,271,232  | 9,944,158    |
| 18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25) . . . . .          | 2,946,177  | 4,772,300    |
| 19 Revenue less expenses Subtract line 18 from line 12 . . . . .                               | 0          | 0            |
|  | 1,050,264  | 1,065,515    |
|  | 0          | 0            |
|  | 734,293    | 709,313      |
|  | 4,730,734  | 6,547,128    |
|  | 4,540,498  | 3,397,030    |

|  |                           |             |
|--|---------------------------|-------------|
| 20 Total assets (Part X, line 16) . . . . .                            | Beginning of Current Year | End of Year |
| 21 Total liabilities (Part X, line 26) . . . . .                       | 115,861,628               | 123,062,007 |
| 22 Net assets or fund balances Subtract line 21 from line 20 . . . . . | 6,482,645                 | 7,039,512   |
|  | 109,378,983               | 116,022,495 |

## Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

|                              |                      |            |
|------------------------------|----------------------|------------|
| Sign Here                    | *****                | 2014-05-08 |
|                              | Signature of officer | Date       |
| CECILIA BELEW PRESIDENT      |                      |            |
| Type or print name and title |                      |            |

|                        |   |                      |      |   |      |
|------------------------|---|----------------------|------|---|------|
| Paid Preparer Use Only | Print/Type preparer's name<br>KARA ADAMS                                | Preparer's signature | Date | Check <input type="checkbox"/> if self-employed | PTIN |
|                        | Firm's name ► ERNST & YOUNG US LLP                                      |                      |      | Firm's EIN ►                                    |      |
|                        | Firm's address ► 18111 VON KARMAN AVENUE SUITE 1000<br>IRVINE, CA 92612 |                      |      | Phone no (949) 794-2300                         |      |

May the IRS discuss this return with the preparer shown above? (see instructions) . . . . .  Yes  No

**Part III Statement of Program Service Accomplishments**Check if Schedule O contains a response to any question in this Part III **1** Briefly describe the organization's mission

TO DEVELOP THE PHILANTHROPIC RESOURCES NECESSARY TO STRENGTHEN THE ABILITY OF SADDLEBACK MEMORIAL MEDICAL CENTER TO ENHANCE THE HEALTH AND WELL-BEING OF INDIVIDUALS, FAMILIES, AND OUR COMMUNITY

**2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?  Yes  No

If "Yes," describe these new services on Schedule O

**3** Did the organization cease conducting, or make significant changes in how it conducts, any program services?  Yes  No

If "Yes," describe these changes on Schedule O

**4** Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported**4a** (Code ) (Expenses \$ 4,307,021 including grants of \$ 4,307,021 ) (Revenue \$ 0 )

PROVIDED GRANTS FOR SADDLEBACK MEMORIAL MEDICAL CENTER CAPITAL ITEMS (SEE SCHEDULE I DETAIL &amp; SCHEDULE O)

**4b** (Code ) (Expenses \$ 353,900 including grants of \$ 353,900 ) (Revenue \$ 0 )

PROVIDED GRANTS FOR SADDLEBACK MEMORIAL MEDICAL CENTER HOSPICE PROGRAM (SEE SCHEDULE I DETAIL &amp; SCHEDULE O)

**4c** (Code ) (Expenses \$ 43,200 including grants of \$ 43,200 ) (Revenue \$ 0 )

PROVIDED GRANTS FOR SADDLEBACK MEMORIAL MEDICAL CENTER WOMEN'S &amp; CHILDREN'S SERVICES PROGRAM (SEE SCHEDULE I DETAIL &amp; SCHEDULE O)

**4d** Other program services (Describe in Schedule O )

(Expenses \$ 68,179 including grants of \$ 68,179 ) (Revenue \$ 0 )

**4e** **Total program service expenses ►** 4,772,300

**Part IV Checklist of Required Schedules**

1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A

2 Is the organization required to complete Schedule B, *Schedule of Contributors* (see instructions)?

3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I

4 **Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II

5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III

6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I

7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II

8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III

9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV

10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V

11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable

a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI

b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII

c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII

d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX

e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X

f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part XI

12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII

b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional

13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E

14a Did the organization maintain an office, employees, or agents outside of the United States?

b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV

15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV

16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV

17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)

18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II

19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III

20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H

b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?

|     | Yes | No |
|-----|-----|----|
| 1   | Yes |    |
| 2   | Yes |    |
| 3   |     | No |
| 4   |     | No |
| 5   |     | No |
| 6   |     | No |
| 7   |     | No |
| 8   |     | No |
| 9   |     | No |
| 10  | Yes |    |
| 11a | Yes |    |
| 11b |     | No |
| 11c |     | No |
| 11d |     | No |
| 11e | Yes |    |
| 11f | Yes |    |
| 12a | Yes |    |
| 12b | Yes |    |
| 13  |     | No |
| 14a |     | No |
| 14b |     | No |
| 15  |     | No |
| 16  |     | No |
| 17  |     | No |
| 18  | Yes |    |
| 19  |     | No |
| 20a |     | No |
| 20b |     |    |

**Part IV Checklist of Required Schedules (continued)**

|     |   |     |     |  |
|-----|---|-----|-----|--|
| 21  | Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II   | 21  | Yes |  |
| 22  | Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III   | 22  | No  |  |
| 23  | Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J  | 23  | Yes |  |
| 24a | Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25                             | 24a | No  |  |
| b   | Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?   | 24b |     |  |
| c   | Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?  | 24c |     |  |
| d   | Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?   | 24d |     |  |
| 25a | <b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I  | 25a | No  |  |
| b   | Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I                                       | 25b | No  |  |
| 26  | Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II   | 26  | No  |  |
| 27  | Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III | 27  | No  |  |
| 28  | Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)  | 28a | No  |  |
| a   | A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV   | 28b | No  |  |
| b   | A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV  | 28c | No  |  |
| c   | An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV  | 29  | No  |  |
| 29  | Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M  | 30  | No  |  |
| 30  | Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M  | 31  | No  |  |
| 31  | Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I  | 32  | No  |  |
| 32  | Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II  | 33  | No  |  |
| 33  | Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? If "Yes," complete Schedule R, Part I  | 34  | Yes |  |
| 34  | Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1  | 35a | Yes |  |
| 35a | Did the organization have a controlled entity within the meaning of section 512(b)(13)?   | 35b | No  |  |
| b   | If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2   | 36  | No  |  |
| 36  | <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2   | 37  | No  |  |
| 37  | Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI   | 38  | Yes |  |
| 38  | Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19?  |     |     |  |
|     | <b>Note.</b> All Form 990 filers are required to complete Schedule O  |     |     |  |

**Part V Statements Regarding Other IRS Filings and Tax Compliance**Check if Schedule O contains a response to any question in this Part V 

|  |               |            |           |
|--|---------------|------------|-----------|
| <b>1a</b> Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable  | <b>1a</b> 90  | <b>Yes</b> | <b>No</b> |
| <b>1b</b> Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable   | <b>1b</b> 0   |            |           |
| <b>c</b> Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?  | <b>1c</b> Yes |            |           |
| <b>2a</b> Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return  | <b>2a</b> 0   |            |           |
| <b>b</b> If at least one is reported on line 2a, did the organization file all required federal employment tax returns?<br><b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)                                    | <b>2b</b>     |            |           |
| <b>3a</b> Did the organization have unrelated business gross income of \$1,000 or more during the year?  | <b>3a</b>     | <b>No</b>  |           |
| <b>b</b> If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O  | <b>3b</b>     |            |           |
| <b>4a</b> At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?                           | <b>4a</b>     | <b>No</b>  |           |
| <b>b</b> If "Yes," enter the name of the foreign country<br>See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts  | <b>4b</b>     |            |           |
| <b>5a</b> Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?  | <b>5a</b>     | <b>No</b>  |           |
| <b>b</b> Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?  | <b>5b</b>     | <b>No</b>  |           |
| <b>c</b> If "Yes," to line 5a or 5b, did the organization file Form 8886-T?  | <b>5c</b>     |            |           |
| <b>6a</b> Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?  | <b>6a</b>     | <b>No</b>  |           |
| <b>b</b> If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?   | <b>6b</b>     |            |           |
| <b>7 Organizations that may receive deductible contributions under section 170(c).</b>   |               |            |           |
| <b>a</b> Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?   | <b>7a</b>     | <b>Yes</b> |           |
| <b>b</b> If "Yes," did the organization notify the donor of the value of the goods or services provided?   | <b>7b</b>     | <b>Yes</b> |           |
| <b>c</b> Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?  | <b>7c</b>     | <b>No</b>  |           |
| <b>d</b> If "Yes," indicate the number of Forms 8282 filed during the year   | <b>7d</b>     |            |           |
| <b>e</b> Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?   | <b>7e</b>     | <b>No</b>  |           |
| <b>f</b> Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  | <b>7f</b>     | <b>No</b>  |           |
| <b>g</b> If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?  | <b>7g</b>     |            |           |
| <b>h</b> If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?  | <b>7h</b>     |            |           |
| <b>8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? |               |            |           |
| <b>9 Sponsoring organizations maintaining donor advised funds.</b>   |               |            |           |
| <b>a</b> Did the organization make any taxable distributions under section 4966?   | <b>9a</b>     |            |           |
| <b>b</b> Did the organization make a distribution to a donor, donor advisor, or related person?  | <b>9b</b>     |            |           |
| <b>10 Section 501(c)(7) organizations.</b> Enter   |               |            |           |
| <b>a</b> Initiation fees and capital contributions included on Part VIII, line 12  | <b>10a</b>    |            |           |
| <b>b</b> Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities   | <b>10b</b>    |            |           |
| <b>11 Section 501(c)(12) organizations.</b> Enter  |               |            |           |
| <b>a</b> Gross income from members or shareholders   | <b>11a</b>    |            |           |
| <b>b</b> Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)   | <b>11b</b>    |            |           |
| <b>12a Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?  |               |            |           |
| <b>b</b> If "Yes," enter the amount of tax-exempt interest received or accrued during the year   | <b>12b</b>    |            |           |
| <b>13 Section 501(c)(29) qualified nonprofit health insurance issuers.</b>   |               |            |           |
| <b>a</b> Is the organization licensed to issue qualified health plans in more than one state?<br><b>Note.</b> See the instructions for additional information the organization must report on Schedule O   | <b>13a</b>    |            |           |
| <b>b</b> Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans   | <b>13b</b>    |            |           |
| <b>c</b> Enter the amount of reserves on hand  | <b>13c</b>    |            |           |
| <b>14a</b> Did the organization receive any payments for indoor tanning services during the tax year?  |               |            |           |
| <b>b</b> If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O   | <b>14b</b>    | <b>No</b>  |           |

**Part VI Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI

### Section A. Governing Body and Management

|  |           |     | Yes | No |
|--|-----------|-----|-----|----|
| <b>1a</b> Enter the number of voting members of the governing body at the end of the tax year  | <b>1a</b> | 21  |     |    |
| If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O             |           |     |     |    |
| <b>b</b> Enter the number of voting members included in line 1a, above, who are independent  | <b>1b</b> | 18  |     |    |
| <b>2</b> Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?   | <b>2</b>  | Yes |     |    |
| <b>3</b> Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? | <b>3</b>  | No  |     |    |
| <b>4</b> Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?  | <b>4</b>  | No  |     |    |
| <b>5</b> Did the organization become aware during the year of a significant diversion of the organization's assets?  | <b>5</b>  | No  |     |    |
| <b>6</b> Did the organization have members or stockholders?  | <b>6</b>  | Yes |     |    |
| <b>7a</b> Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?   | <b>7a</b> | Yes |     |    |
| <b>b</b> Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?   | <b>7b</b> | Yes |     |    |
| <b>8</b> Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following  | <b>8a</b> | Yes |     |    |
| <b>a</b> The governing body?   | <b>8b</b> | Yes |     |    |
| <b>b</b> Each committee with authority to act on behalf of the governing body?   | <b>9</b>  | No  |     |    |
| <b>9</b> Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O        |           |     |     |    |

### Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

|   |            | Yes | No |
|---|------------|-----|----|
| <b>10a</b> Did the organization have local chapters, branches, or affiliates?   | <b>10a</b> | No  |    |
| <b>b</b> If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?   | <b>10b</b> |     |    |
| <b>11a</b> Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?  | <b>11a</b> | Yes |    |
| <b>b</b> Describe in Schedule O the process, if any, used by the organization to review this Form 990   |            |     |    |
| <b>12a</b> Did the organization have a written conflict of interest policy? If "No," go to line 13  | <b>12a</b> | Yes |    |
| <b>b</b> Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?  | <b>12b</b> | Yes |    |
| <b>c</b> Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done   | <b>12c</b> | Yes |    |
| <b>13</b> Did the organization have a written whistleblower policy?   | <b>13</b>  | Yes |    |
| <b>14</b> Did the organization have a written document retention and destruction policy?  | <b>14</b>  | Yes |    |
| <b>15</b> Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?  | <b>15a</b> | Yes |    |
| <b>a</b> The organization's CEO, Executive Director, or top management official   | <b>15b</b> | Yes |    |
| <b>b</b> Other officers or key employees of the organization  |            |     |    |
| If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)  |            |     |    |
| <b>16a</b> Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?  | <b>16a</b> | No  |    |
| <b>b</b> If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? | <b>16b</b> |     |    |

### Section C. Disclosure

- 17 List the States with which a copy of this Form 990 is required to be filed  CA
- 18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you made these available. Check all that apply  
 Own website  Another's website  Upon request  Other (explain in Schedule O)
- 19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year
- 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization  
 BRIAN KRAWIEC CFO DIR-FINAN 24451 HEALTH CTR DR LAGUNA HILLS, CA (949) 452-3680

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**Check if Schedule O contains a response to any question in this Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year

• List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid• List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."• List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations• List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations• List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

List persons in the following order: individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

 Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

| (A)<br>Name and Title    | (B)<br>Average<br>hours per<br>week (list<br>any hours<br>for related<br>organizations<br>below<br>dotted line) | (C)<br>Position (do not check<br>more than one box, unless<br>person is both an officer<br>and a director/trustee) |                       |        |              |                     |        | (D)<br>Reportable<br>compensation<br>from the<br>organization<br>(W-2/1099-<br>MISC) | (E)<br>Reportable<br>compensation<br>from related<br>organizations<br>(W-2/1099-<br>MISC) | (F)<br>Estimated<br>amount of<br>other<br>compensation<br>from the<br>organization<br>and related<br>organizations |
|--------------------------|---|--|-----------------------|--------|--------------|---------------------|--------|--|---|--|
|                          |   | Individual trustee<br>or director  | Institutional Trustee | Office | Key employee | Highest compensated | Former |  |   |  |
| (1) BOB ADAMS            | 1 0   | X  |                       | X      |              |                     |        | 0  | 0   | 0  |
| BOARD TREASURER          | 0 0   |  |                       |        |              |                     |        |  |   |  |
| (2) GARRY BAKER          | 1 0   | X  |                       |        |              |                     |        | 0  | 0   | 0  |
| BOARD MEMBER             | 0 0   |  |                       |        |              |                     |        |  |   |  |
| (3) CECILIA BELEW        | 40 0  | X  |                       | X      |              |                     |        | 0  | 331,310   | 24,489   |
| PRESIDENT                | 0 0   |  |                       |        |              |                     |        |  |   |  |
| (4) JACK BERGER          | 1 0   | X  |                       |        |              |                     |        | 0  | 0   | 0  |
| BOARD MEMBER             | 0 0   |  |                       |        |              |                     |        |  |   |  |
| (5) GARY DAMSKER         | 1 0   | X  |                       |        |              |                     |        | 0  | 0   | 0  |
| BOARD MEMBER             | 0 0   |  |                       |        |              |                     |        |  |   |  |
| (6) YVETTE DEL PRADO PHD | 1 0   | X  |                       |        |              |                     |        | 0  | 0   | 0  |
| BOARD MEMBER             | 0 0   |  |                       |        |              |                     |        |  |   |  |
| (7) PATRICK DONAHUE      | 1 0   | X  |                       |        |              |                     |        | 0  | 0   | 0  |
| BOARD MEMBER, EX-OFFICIO | 1 0   |  |                       |        |              |                     |        |  |   |  |
| (8) STEPHEN B GEIDT      | 1 0   | X  |                       |        |              |                     |        | 0  | 621,054   | 39,822   |
| BOARD MEMBER, EX-OFFICIO | 40 0  |  |                       |        |              |                     |        |  |   |  |
| (9) AILEEN GRANT         | 1 0   | X  |                       |        |              |                     |        | 0  | 0   | 0  |
| BOARD MEMBER             | 0 0   |  |                       |        |              |                     |        |  |   |  |
| (10) BARRIE MAY MD       | 1 0   | X  |                       |        |              |                     |        | 0  | 0   | 0  |
| BOARD MEMBER             | 0 0   |  |                       |        |              |                     |        |  |   |  |
| (11) CHIRAG PATEL MD     | 1 0   | X  |                       |        |              |                     |        | 0  | 4,000   | 0  |
| BOARD MEMBER             | 0 0   |  |                       |        |              |                     |        |  |   |  |
| (12) WILLIAM PHILLIPS    | 1 0   | X  |                       | X      |              |                     |        | 0  | 0   | 0  |
| BOARD SECRETARY          | 0 0   |  |                       |        |              |                     |        |  |   |  |
| (13) VIRGINIA PILLSBURY  | 1 0   | X  |                       |        |              |                     |        | 0  | 0   | 0  |
| BOARD MEMBER             | 0 0   |  |                       |        |              |                     |        |  |   |  |
| (14) LEILA RASOULI MD    | 1 0   | X  |                       |        |              |                     |        | 0  | 0   | 0  |
| BOARD MEMBER             | 0 0   |  |                       |        |              |                     |        |  |   |  |
| (15) SIMON REEVES        | 1 0   | X  |                       |        |              |                     |        | 0  | 0   | 0  |
| BOARD MEMBER             | 0 0   |  |                       |        |              |                     |        |  |   |  |
| (16) J SCOTT REID        | 1 0   | X  |                       |        |              |                     |        | 0  | 0   | 0  |
| BOARD MEMBER             | 0 0   |  |                       |        |              |                     |        |  |   |  |
| (17) BOB RING            | 1 0   | X  |                       |        |              |                     |        | 0  | 0   | 0  |
| BOARD MEMBER             | 0 0   |  |                       |        |              |                     |        |  |   |  |

**Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)**

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization □ 0

|   |   | Yes | No  |
|---|---|-----|-----|
| 3 | Did the organization list any <b>former</b> officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i> . . . . .  | 3   | No  |
| 4 | For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i> . . . . . | 4   | Yes |
| 5 | Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i> . . . . .                       | 5   | No  |

## **Section B. Independent Contractors**

**1** Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ►0

**Part VIII Statement of Revenue**

Check if Schedule O contains a response to any question in this Part VIII

|  |  | (A)<br>Total revenue | (B)<br>Related or<br>exempt<br>function<br>revenue | (C)<br>Unrelated<br>business<br>revenue | (D)<br>Revenue<br>excluded from<br>tax under<br>sections<br>512, 513, or<br>514 |
|--|--|----------------------|--|---|---|
| <b>Contributions, Gifts, Grants<br/>and Other Similar Amounts</b>  | <b>1a</b> Federated campaigns . . . . .  | <b>1a</b>            |  |   |   |
|  | <b>b</b> Membership dues . . . . .   | <b>1b</b>            |  |   |   |
|  | <b>c</b> Fundraising events . . . . .  | <b>1c</b>            | 322,134  |   |   |
|  | <b>d</b> Related organizations . . . . .   | <b>1d</b>            | 345,119  |   |   |
|  | <b>e</b> Government grants (contributions)   | <b>1e</b>            |  |   |   |
|  | <b>f</b> All other contributions, gifts, grants, and<br>similar amounts not included above         | <b>1f</b>            | 3,060,532  |   |   |
|  | <b>g</b> Noncash contributions included in lines<br>1a-1f \$                                       |                      |  |   |   |
|  | <b>h</b> <b>Total.</b> Add lines 1a-1f . . . . .   |                      | 3,727,785  |   |   |
| <b>Program Service Revenue</b>   | <b>2a</b>  | Business Code        |  |   |   |
|  | <b>b</b>   |                      |  |   |   |
|  | <b>c</b>   |                      |  |   |   |
|  | <b>d</b>   |                      |  |   |   |
|  | <b>e</b>   |                      |  |   |   |
|  | <b>f</b> All other program service revenue   |                      |  |   |   |
|  | <b>g</b> <b>Total.</b> Add lines 2a-2f . . . . .   |                      | 0  |   |   |
|  | <b>3</b> Investment income (including dividends, interest,<br>and other similar amounts) . . . . . |                      | 3,097,185  |   | 3,097,185   |
| <b>4</b> Income from investment of tax-exempt bond proceeds  |  | 0                    |  |   |   |
| <b>5</b> Royalties . . . . .   |  | 0                    |  |   |   |
| <b>6a</b> Gross rents  | (i) Real   | (ii) Personal        |  |   |   |
| <b>b</b> Less rental expenses  |  |                      |  |   |   |
| <b>c</b> Rental income or (loss)   | 0  | 0                    |  |   |   |
| <b>d</b> Net rental income or (loss) . . . . .   |  |                      | 0  |   |   |
| <b>7a</b> Gross amount from sales of assets other than inventory   | (i) Securities   | (ii) Other           |  |   |   |
| <b>b</b> Less cost or other basis and sales expenses   | 41,334,535   |                      |  |   |   |
| <b>c</b> Gain or (loss)  | 38,201,920   |                      |  |   |   |
| <b>d</b> Net gain or (loss) . . . . .  | 3,132,615  |                      | 3,132,615  |   | 3,132,615   |
| <b>8a</b> Gross income from fundraising events (not including<br>\$ 322,134<br>of contributions reported on line 1c)<br>See Part IV, line 18 . . . . . |  |                      |  |   |   |
| <b>b</b> Less direct expenses . . . . .  | <b>a</b> 139,795   |                      |  |   |   |
| <b>c</b> Net income or (loss) from fundraising events . . . . .  | <b>b</b> 153,222   |                      | -13,427  |   | -13,427   |
| <b>9a</b> Gross income from gaming activities<br>See Part IV, line 19 . . . . .  | <b>a</b>   |                      |  |   |   |
| <b>b</b> Less direct expenses . . . . .  | <b>b</b>   |                      |  |   |   |
| <b>c</b> Net income or (loss) from gaming activities . . . . .   |  |                      | 0  |   |   |
| <b>10a</b> Gross sales of inventory, less<br>returns and allowances . . . . .  | <b>a</b>   |                      |  |   |   |
| <b>b</b> Less cost of goods sold . . . . .   | <b>b</b>   |                      |  |   |   |
| <b>c</b> Net income or (loss) from sales of inventory . . . . .  |  |                      | 0  |   |   |
| <b>Miscellaneous Revenue</b>   | Business Code  |                      |  |   |   |
| <b>11a</b>   |  |                      |  |   |   |
| <b>b</b>   |  |                      |  |   |   |
| <b>c</b>   |  |                      |  |   |   |
| <b>d</b> All other revenue . . . . .   |  |                      |  |   |   |
| <b>e</b> <b>Total.</b> Add lines 11a-11d . . . . .   |  | 0                    |  |   |   |
| <b>12</b> <b>Total revenue.</b> See Instructions . . . . .   |  | 9,944,158            |  | 0                                       | 6,216,373   |

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns All other organizations must complete column (A)

Check if Schedule O contains a response to any question in this Part IX 

| <b>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</b>   | <b>(A)<br/>Total expenses</b> | <b>(B)<br/>Program service<br/>expenses</b> | <b>(C)<br/>Management and<br/>general expenses</b> | <b>(D)<br/>Fundraising<br/>expenses</b> |
|---|-------------------------------|---|--|---|
| 1 Grants and other assistance to governments and organizations in the United States See Part IV, line 21  | 4,772,300                     | 4,772,300                                   |  |   |
| 2 Grants and other assistance to individuals in the United States See Part IV, line 22  | 0                             |   |  |   |
| 3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16   | 0                             |   |  |   |
| 4 Benefits paid to or for members   | 0                             |   |  |   |
| 5 Compensation of current officers, directors, trustees, and key employees . . . . .  | 435,816                       |   | 125,160  | 310,656                                 |
| 6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .   | 0                             |   |  |   |
| 7 Other salaries and wages  | 419,663                       |   | 51,758   | 367,905                                 |
| 8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions) . . . . .  | 27,393                        |   | 11,118   | 16,275                                  |
| 9 Other employee benefits . . . . .   | 122,788                       |   | 24,914   | 97,874                                  |
| 10 Payroll taxes . . . . .  | 59,855                        |   | 13,765   | 46,090                                  |
| 11 Fees for services (non-employees)  |                               |   |  |   |
| a Management . . . . .  | 0                             |   |  |   |
| b Legal . . . . .   | 5,460                         |   |  | 5,460                                   |
| c Accounting . . . . .  | 79,617                        |   | 79,617   |   |
| d Lobbying . . . . .  | 0                             |   |  |   |
| e Professional fundraising services See Part IV, line 17  | 0                             |   |  |   |
| f Investment management fees . . . . .  | 406,656                       |   | 406,656  |   |
| g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O) . . . . .  | 23,521                        |   |  | 23,521                                  |
| 12 Advertising and promotion . . . . .  | 0                             |   |  |   |
| 13 Office expenses . . . . .  | 55,782                        |   | 16,355   | 39,427                                  |
| 14 Information technology . . . . .   | 41,601                        |   | 14,132   | 27,469                                  |
| 15 Royalties . . . . .  | 0                             |   |  |   |
| 16 Occupancy . . . . .  | 4,059                         |   | 4,059  |   |
| 17 Travel . . . . .   | 2,468                         |   |  | 2,468                                   |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .   | 0                             |   |  |   |
| 19 Conferences, conventions, and meetings . . . . .   | 28,281                        |   |  | 28,281                                  |
| 20 Interest . . . . .   | 0                             |   |  |   |
| 21 Payments to affiliates . . . . .   | 0                             |   |  |   |
| 22 Depreciation, depletion, and amortization . . . . .  | 26,786                        |   | 26,786   |   |
| 23 Insurance . . . . .  | 10,148                        |   | 10,148   |   |
| 24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O )  |                               |   |  |   |
| a RECOGNITION AND OTHER EVENTS  | 18,017                        |   |  | 18,017                                  |
| b BUS CULTIVATION/PUB RELATIONS   | 3,625                         |   |  | 3,625                                   |
| c DUES AND SUBSCRIPTIONS  | 1,042                         |   |  | 1,042                                   |
| d ALL OTHER EXPENSES  | 2,250                         |   | 2,250  |   |
| e All other expenses  |                               |   |  |   |
| <b>25 Total functional expenses.</b> Add lines 1 through 24e  | 6,547,128                     | 4,772,300                                   | 786,718  | 988,110                                 |
| <b>26 Joint costs.</b> Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) |                               |   |  |   |

**Part X Balance Sheet**Check if Schedule O contains a response to any question in this Part X 

|                                    |   | <b>(A)</b><br>Beginning of year | <b>(B)</b><br>End of year |             |
|------------------------------------|---|---------------------------------|---------------------------|-------------|
| <b>Assets</b>                      | <b>1</b> Cash—non-interest-bearing  | 4,832,015                       | <b>1</b>                  | 13,817,084  |
|                                    | <b>2</b> Savings and temporary cash investments   | 4,746,379                       | <b>2</b>                  | 5,152,707   |
|                                    | <b>3</b> Pledges and grants receivable, net   | 182,545                         | <b>3</b>                  | 832,252     |
|                                    | <b>4</b> Accounts receivable, net   | 0                               | <b>4</b>                  | 0           |
|                                    | <b>5</b> Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L   | 0                               | <b>5</b>                  | 0           |
|                                    | <b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L | 0                               | <b>6</b>                  | 0           |
|                                    | <b>7</b> Notes and loans receivable, net  | 0                               | <b>7</b>                  | 0           |
|                                    | <b>8</b> Inventories for sale or use  | 0                               | <b>8</b>                  | 0           |
|                                    | <b>9</b> Prepaid expenses and deferred charges  | 0                               | <b>9</b>                  | 0           |
|                                    | <b>10a</b> Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D  | <b>10a</b>                      | 1,282,221                 |             |
|                                    | <b>b</b> Less accumulated depreciation  | <b>10b</b>                      | 1,169,836                 | 139,171     |
|                                    |   |                                 | <b>10c</b>                | 112,385     |
|                                    | <b>11</b> Investments—publicly traded securities  | 102,419,258                     | <b>11</b>                 | 100,365,561 |
|                                    | <b>12</b> Investments—other securities See Part IV, line 11   | 0                               | <b>12</b>                 | 0           |
|                                    | <b>13</b> Investments—program-related See Part IV, line 11  | 0                               | <b>13</b>                 | 0           |
|                                    | <b>14</b> Intangible assets   | 0                               | <b>14</b>                 | 0           |
|                                    | <b>15</b> Other assets See Part IV, line 11   | 3,542,260                       | <b>15</b>                 | 2,782,018   |
|                                    | <b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 34)  | 115,861,628                     | <b>16</b>                 | 123,062,007 |
| <b>Liabilities</b>                 | <b>17</b> Accounts payable and accrued expenses   | 29,142                          | <b>17</b>                 | 34,983      |
|                                    | <b>18</b> Grants payable  | 0                               | <b>18</b>                 | 0           |
|                                    | <b>19</b> Deferred revenue  | 0                               | <b>19</b>                 | 0           |
|                                    | <b>20</b> Tax-exempt bond liabilities   | 0                               | <b>20</b>                 | 0           |
|                                    | <b>21</b> Escrow or custodial account liability Complete Part IV of Schedule D  | 0                               | <b>21</b>                 | 0           |
|                                    | <b>22</b> Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L   | 0                               | <b>22</b>                 | 0           |
|                                    | <b>23</b> Secured mortgages and notes payable to unrelated third parties  | 0                               | <b>23</b>                 | 0           |
|                                    | <b>24</b> Unsecured notes and loans payable to unrelated third parties  | 0                               | <b>24</b>                 | 0           |
|                                    | <b>25</b> Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D  | 6,453,503                       | <b>25</b>                 | 7,004,529   |
|                                    | <b>26</b> <b>Total liabilities.</b> Add lines 17 through 25   | 6,482,645                       | <b>26</b>                 | 7,039,512   |
| <b>Net Assets or Fund Balances</b> | <b>Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>  |                                 |                           |             |
|                                    | <b>27</b> Unrestricted net assets   | 44,605,645                      | <b>27</b>                 | 47,647,972  |
|                                    | <b>28</b> Temporarily restricted net assets   | 13,918,657                      | <b>28</b>                 | 17,370,464  |
|                                    | <b>29</b> Permanently restricted net assets   | 50,854,681                      | <b>29</b>                 | 51,004,059  |
|                                    | <b>Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.</b>   |                                 |                           |             |
|                                    | <b>30</b> Capital stock or trust principal, or current funds  | 30                              |                           |             |
|                                    | <b>31</b> Paid-in or capital surplus, or land, building or equipment fund   | 31                              |                           |             |
|                                    | <b>32</b> Retained earnings, endowment, accumulated income, or other funds  | 32                              |                           |             |
|                                    | <b>33</b> Total net assets or fund balances   | 109,378,983                     | <b>33</b>                 | 116,022,495 |
|                                    | <b>34</b> Total liabilities and net assets/fund balances  | 115,861,628                     | <b>34</b>                 | 123,062,007 |

**Part XI Reconciliation of Net Assets**Check if Schedule O contains a response to any question in this Part XI 

|    |   |    |             |
|----|---|----|-------------|
| 1  | Total revenue (must equal Part VIII, column (A), line 12)   | 1  | 9,944,158   |
| 2  | Total expenses (must equal Part IX, column (A), line 25)  | 2  | 6,547,128   |
| 3  | Revenue less expenses Subtract line 2 from line 1   | 3  | 3,397,030   |
| 4  | Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))                     | 4  | 109,378,983 |
| 5  | Net unrealized gains (losses) on investments  | 5  | 3,605,518   |
| 6  | Donated services and use of facilities  | 6  |             |
| 7  | Investment expenses   | 7  |             |
| 8  | Prior period adjustments  | 8  |             |
| 9  | Other changes in net assets or fund balances (explain in Schedule O)  | 9  | -359,036    |
| 10 | Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B)) | 10 | 116,022,495 |

**Part XII Financial Statements and Reporting**Check if Schedule O contains a response to any question in this Part XII 

|  | Yes | No  |
|--|-----|-----|
| 1 Accounting method used to prepare the Form 990<br>If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O   |     |     |
| 2a Were the organization's financial statements compiled or reviewed by an independent accountant?<br>If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both<br><input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input checked="" type="checkbox"/> Both consolidated and separate basis | 2a  | No  |
| 2b Were the organization's financial statements audited by an independent accountant?<br>If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both<br><input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input checked="" type="checkbox"/> Both consolidated and separate basis                           | 2b  | Yes |
| 2c If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?<br>If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O   | 2c  | Yes |
| 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?  | 3a  | No  |
| 3b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits  | 3b  |     |

**SCHEDULE A**  
(Form 990 or 990EZ)**Public Charity Status and Public Support****2012****Open to Public  
Inspection**Department of the Treasury  
Internal Revenue Service

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

► Attach to Form 990 or Form 990-EZ. ► See separate instructions.

**Name of the organization**

SADDLEBACK MEMORIAL FOUNDATION

**Employer identification number**

33-0011887

**Part I Reason for Public Charity Status** (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is (For lines 1 through 11, check only one box)

1  A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.

2  A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E )

3  A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.

4  A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state \_\_\_\_\_

5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II )

6  A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.

7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II )

8  A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II )

9  An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2)**. (Complete Part III )

10  An organization organized and operated exclusively to test for public safety See **section 509(a)(4)**.

11  An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h

e  a  Type I  b  Type II  c  Type III - Functionally integrated  d  Type III - Non-functionally integrated

f  By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

g  If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box

h  Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?

(ii) A family member of a person described in (i) above?

(iii) A 35% controlled entity of a person described in (i) or (ii) above?

i  Provide the following information about the supported organization(s)

|          | <b>Yes</b> | <b>No</b> |
|----------|------------|-----------|
| 11g(i)   |            |           |
| 11g(ii)  |            |           |
| 11g(iii) |            |           |

| <b>(i) Name of supported organization</b> | <b>(ii) EIN</b> | <b>(iii) Type of organization (described on lines 1- 9 above or IRC section (see instructions))</b> | <b>(iv) Is the organization in col (i) listed in your governing document?</b> | <b>(v) Did you notify the organization in col (i) of your support?</b> | <b>(vi) Is the organization in col (i) organized in the U S ?</b> | <b>(vii) Amount of monetary support</b> |
|---|-----------------|---|---|--|---|---|
|   |                 |   |   |  |   |   |
|   |                 |   |   |  |   |   |
|   |                 |   |   |  |   |   |
|   |                 |   |   |  |   |   |
| <b>Total</b>                              |                 |   |   |  |   |   |

**Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

**Section A. Public Support**

| Calendar year (or fiscal year beginning in) ►   | (a) 2008  | (b) 2009   | (c) 2010  | (d) 2011  | (e) 2012  | (f) Total  |
|---|-----------|------------|-----------|-----------|-----------|------------|
| 1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants")  | 3,395,877 | 19,023,273 | 5,133,921 | 6,585,180 | 3,727,785 | 37,866,036 |
| 2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf   |           |            |           |           |           | 0          |
| 3 The value of services or facilities furnished by a governmental unit to the organization without charge   |           |            |           |           |           | 0          |
| 4 <b>Total.</b> Add lines 1 through 3   | 3,395,877 | 19,023,273 | 5,133,921 | 6,585,180 | 3,727,785 | 37,866,036 |
| 5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) |           |            |           |           |           | 22,113,248 |
| 6 <b>Public support.</b> Subtract line 5 from line 4  |           |            |           |           |           | 15,752,788 |

**Section B. Total Support**

| Calendar year (or fiscal year beginning in) ►  | (a) 2008  | (b) 2009   | (c) 2010  | (d) 2011  | (e) 2012  | (f) Total  |
|--|-----------|------------|-----------|-----------|-----------|------------|
| 7 Amounts from line 4  | 3,395,877 | 19,023,273 | 5,133,921 | 6,585,180 | 3,727,785 | 37,866,036 |
| 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources   | 1,267,409 | 2,259,245  | 2,533,345 | 3,018,017 | 3,097,185 | 12,175,201 |
| 9 Net income from unrelated business activities, whether or not the business is regularly carried on   |           | 5,632      | 4,436     | 0         | 0         | 10,068     |
| 10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)   |           |            |           |           |           | 0          |
| 11 <b>Total support</b> (Add lines 7 through 10)   |           |            |           |           |           | 50,051,305 |
| 12 Gross receipts from related activities, etc (see instructions)  |           |            |           | 12        |           | 0          |
| 13 <b>First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and <b>stop here</b> . . . . . |           |            |           |           |           |            |

**Section C. Computation of Public Support Percentage**

|   |    |          |
|---|----|----------|
| 14 Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f))   | 14 | 31 473 % |
| 15 Public support percentage for 2011 Schedule A, Part II, line 14  | 15 | 34 367 % |
| 16a <b>33 1/3% support test—2012.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization   |    | ►        |
| b <b>33 1/3% support test—2011.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization  |    | ►        |
| 17a <b>10%-facts-and-circumstances test—2012.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here</b> . Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization    |    | ►        |
| b <b>10%-facts-and-circumstances test—2011.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here</b> . Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization |    | ►        |
| 18 <b>Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions  |    | ►        |

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

**Section A. Public Support**

| Calendar year (or fiscal year beginning in) ►  | (a) 2008 | (b) 2009 | (c) 2010 | (d) 2011 | (e) 2012 | (f) Total |
|--|----------|----------|----------|----------|----------|-----------|
| 1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants")   |          |          |          |          |          |           |
| 2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose |          |          |          |          |          |           |
| 3 Gross receipts from activities that are not an unrelated trade or business under section 513   |          |          |          |          |          |           |
| 4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf  |          |          |          |          |          |           |
| 5 The value of services or facilities furnished by a governmental unit to the organization without charge  |          |          |          |          |          |           |
| <b>6 Total.</b> Add lines 1 through 5  |          |          |          |          |          |           |
| <b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons   |          |          |          |          |          |           |
| <b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year    |          |          |          |          |          |           |
| <b>c</b> Add lines 7a and 7b   |          |          |          |          |          |           |
| <b>8 Public support</b> (Subtract line 7c from line 6 )  |          |          |          |          |          |           |

**Section B. Total Support**

| Calendar year (or fiscal year beginning in) ►  | (a) 2008 | (b) 2009 | (c) 2010 | (d) 2011 | (e) 2012 | (f) Total |
|--|----------|----------|----------|----------|----------|-----------|
| 9 Amounts from line 6  |          |          |          |          |          |           |
| <b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources  |          |          |          |          |          |           |
| <b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975   |          |          |          |          |          |           |
| <b>c</b> Add lines 10a and 10b   |          |          |          |          |          |           |
| <b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on  |          |          |          |          |          |           |
| <b>12</b> Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV )   |          |          |          |          |          |           |
| <b>13 Total support.</b> (Add lines 9, 10c, 11, and 12 )   |          |          |          |          |          |           |
| <b>14 First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and <b>stop here</b> |          |          |          |          |          |           |

**Section C. Computation of Public Support Percentage**

|   |    |
|---|----|
| 15 Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f)) | 15 |
| 16 Public support percentage from 2011 Schedule A, Part III, line 15                      | 16 |

**Section D. Computation of Investment Income Percentage**

|  |    |
|--|----|
| 17 Investment income percentage for 2012 (line 10c, column (f) divided by line 13, column (f))   | 17 |
| 18 Investment income percentage from 2011 Schedule A, Part III, line 17  | 18 |
| 19a <b>33 1/3% support tests—2012.</b> If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization               |    |
| <b>b</b> <b>33 1/3% support tests—2011.</b> If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization |    |
| 20 <b>Private foundation.</b> If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions   |    |

**Part IV** **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

**Facts And Circumstances Test**

**Explanation**

---

---

---

---

**SCHEDULE D**  
(Form 990)**Supplemental Financial Statements****2012****Open to Public  
Inspection**

► Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b  
 ► Attach to Form 990. ► See separate instructions.

 Department of the Treasury  
 Internal Revenue Service
**Name of the organization**

SADDLEBACK MEMORIAL FOUNDATION

**Employer identification number**

33-0011887

**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

|  | (a) Donor advised funds | (b) Funds and other accounts |
|--|-------------------------|------------------------------|
| 1 Total number at end of year              |                         |                              |
| 2 Aggregate contributions to (during year) |                         |                              |
| 3 Aggregate grants from (during year)      |                         |                              |
| 4 Aggregate value at end of year           |                         |                              |

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?  Yes  No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?  Yes  No

**Part II Conservation Easements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

|  |   |
|--|---|
| 1 Purpose(s) of conservation easements held by the organization (check all that apply)   | <input type="checkbox"/> Preservation of land for public use (e.g., recreation or education) <input type="checkbox"/> Preservation of an historically important land area |
|  | <input type="checkbox"/> Protection of natural habitat <input type="checkbox"/> Preservation of a certified historic structure  |
|  | <input type="checkbox"/> Preservation of open space   |
| 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year |   |
| a Total number of conservation easements   | <b>Held at the End of the Year</b>  |
| b Total acreage restricted by conservation easements   | 2a  |
| c Number of conservation easements on a certified historic structure included in (a)   | 2b  |
| d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register                           | 2c  |
|  | 2d  |

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ► \_\_\_\_\_

4 Number of states where property subject to conservation easement is located ► \_\_\_\_\_

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?  Yes  No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year  
 ► \_\_\_\_\_

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year  
 ► \$ \_\_\_\_\_

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?  Yes  No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ► \$ \_\_\_\_\_

(ii) Assets included in Form 990, Part X ► \$ \_\_\_\_\_

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

a Revenues included in Form 990, Part VIII, line 1 ► \$ \_\_\_\_\_

b Assets included in Form 990, Part X ► \$ \_\_\_\_\_

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)**

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

|   |   |
|---|---|
| <b>a</b> <input type="checkbox"/> Public exhibition                   | <b>d</b> <input type="checkbox"/> Loan or exchange programs |
| <b>b</b> <input type="checkbox"/> Scholarly research                  | <b>e</b> <input type="checkbox"/> Other                     |
| <b>c</b> <input type="checkbox"/> Preservation for future generations |   |

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?  Yes  No

**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

**1a** Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?  Yes  No

**b** If "Yes," explain the arrangement in Part XIII and complete the following table

|           | <b>Amount</b> |
|-----------|---------------|
| <b>1c</b> |               |
| <b>1d</b> |               |
| <b>1e</b> |               |
| <b>1f</b> |               |

**2a** Did the organization include an amount on Form 990, Part X, line 21?  Yes  No

**b** If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

**Part V Endowment Funds.** Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

|   | (a) Current year | (b) Prior year | b (c) Two years back | (d) Three years back | (e) Four years back |
|---|------------------|----------------|----------------------|----------------------|---------------------|
| <b>1a</b> Beginning of year balance . . . . .                     | 55,968,604       | 55,228,902     | 44,923,544           | 33,351,991           | 12,428,587          |
| <b>b</b> Contributions . . . . .                                  | 3,060            | 2,887,765      | 2,306,929            | 11,571,553           | 20,923,404          |
| <b>c</b> Net investment earnings, gains, and losses . . . . .     | 6,072,691        | -841,570       | 9,543,767            | 1,622,231            | 456,968             |
| <b>d</b> Grants or scholarships . . . . .                         | 2,816,166        | 1,085,168      | 1,374,166            | 1,451,897            | 399,804             |
| <b>e</b> Other expenditures for facilities and programs . . . . . | 237,464          | 221,325        | 171,172              | 170,334              | 57,164              |
| <b>g</b> End of year balance . . . . .                            | 58,990,725       | 55,968,604     | 55,228,902           | 44,923,544           | 33,351,991          |

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

**a** Board designated or quasi-endowment  0 %

**b** Permanent endowment  84 960 %

**c** Temporarily restricted endowment  15 040 %

The percentages in lines 2a, 2b, and 2c should equal 100%

**3a** Are there endowment funds not in the possession of the organization that are held and administered for the organization by

**(i)** unrelated organizations . . . . .

| Yes    | No |
|--------|----|
| 3a(i)  |    |
| 3a(ii) |    |
| 3b     |    |

**b** If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? . . . . .

4 Describe in Part XIII the intended uses of the organization's endowment funds

**Part VI Land, Buildings, and Equipment.** See Form 990, Part X, line 10.

|   | Description of property | (a) Cost or other basis (investment) | (b) Cost or other basis (other) | (c) Accumulated depreciation | (d) Book value |
|---|-------------------------|--------------------------------------|---------------------------------|------------------------------|----------------|
| <b>1a</b> Land . . . . .  |                         |                                      |                                 |                              |                |
| <b>b</b> Buildings . . . . .  |                         |                                      |                                 |                              |                |
| <b>c</b> Leasehold improvements . . . . .   |                         | 424,567                              | 312,182                         | 112,385                      |                |
| <b>d</b> Equipment . . . . .  |                         | 857,654                              | 857,654                         | 0                            |                |
| <b>e</b> Other . . . . .  |                         |                                      |                                 |                              |                |
| <b>Total.</b> Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).) |                         |                                      |                                 | 112,385                      |                |

**Part VII Investments—Other Securities.** See Form 990, Part X, line 12

| <b>(a) Description of security or category<br/>(including name of security)</b> | <b>(b) Book value</b> | <b>(c) Method of valuation</b>   |
|---|-----------------------|----------------------------------|
|   |                       | Cost or end-of-year market value |
| (1) Financial derivatives   |                       |                                  |
| (2) Closely-held equity interests   |                       |                                  |
| Other   |                       |                                  |
|   |                       |                                  |
|   |                       |                                  |
|   |                       |                                  |
|   |                       |                                  |
|   |                       |                                  |
|   |                       |                                  |
|   |                       |                                  |
|   |                       |                                  |
|   |                       |                                  |
|   |                       |                                  |
|   |                       |                                  |
|   |                       |                                  |
|   |                       |                                  |
|   |                       |                                  |
|   |                       |                                  |
|   |                       |                                  |
|   |                       |                                  |
|   |                       |                                  |
|   |                       |                                  |
|   |                       |                                  |
|   |                       |                                  |
|   |                       |                                  |
|   |                       |                                  |
|   |                       |                                  |
| <b>Total</b> (Column (b) must equal Form 202, Part X, col. (B) (pg. 12))        |                       |                                  |

**Total.** (Column (b) must equal Form 990, Part X, col. (B) line 12)

**Part VIII Investments—Program Related.** See Form 990, Part X, line 13.

**Total.** (Column (b) must equal Form 990, Part X, col (B) line 13.)

**Part IX Other Assets.** See Form 990, Part X, line 15

Total (Column (b)) must equal Form 222, Part X, col (B), line 15.

**Total. (Column (b) must equal Form 990, Part X, col.(B) line 15.)**

**2. Fin 48 (ASC 740) Footnote** In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII.

**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**

|   |  |    |            |
|---|--|----|------------|
| 1 | Total revenue, gains, and other support per audited financial statements       | 1  | 13,343,862 |
| 2 | Amounts included on line 1 but not on Form 990, Part VIII, line 12             |    |            |
| a | Net unrealized gains on investments  | 2a | 3,605,518  |
| b | Donated services and use of facilities   | 2b |            |
| c | Recoveries of prior year grants  | 2c |            |
| d | Other (Describe in Part XIII )   | 2d | -205,814   |
| e | Add lines 2a through 2d  | 2e | 3,399,704  |
| 3 | Subtract line 2e from line 1   | 3  | 9,944,158  |
| 4 | Amounts included on Form 990, Part VIII, line 12, but not on line 1            |    |            |
| a | Investment expenses not included on Form 990, Part VIII, line 7b               | 4a |            |
| b | Other (Describe in Part XIII )   | 4b |            |
| c | Add lines 4a and 4b  | 4c |            |
| 5 | Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12 ) | 5  | 9,944,158  |

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

|   |   |    |           |
|---|---|----|-----------|
| 1 | Total expenses and losses per audited financial statements                      | 1  | 6,700,350 |
| 2 | Amounts included on line 1 but not on Form 990, Part IX, line 25                |    |           |
| a | Donated services and use of facilities  | 2a |           |
| b | Prior year adjustments  | 2b |           |
| c | Other losses  | 2c |           |
| d | Other (Describe in Part XIII )  | 2d |           |
| e | Add lines 2a through 2d   | 2e |           |
| 3 | Subtract line 2e from line 1  | 3  | 6,700,350 |
| 4 | Amounts included on Form 990, Part IX, line 25, but not on line 1:              |    |           |
| a | Investment expenses not included on Form 990, Part VIII, line 7b                | 4a |           |
| b | Other (Describe in Part XIII )  | 4b | -153,222  |
| c | Add lines 4a and 4b   | 4c | -153,222  |
| 5 | Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18 ) | 5  | 6,547,128 |

**Part XIII Supplemental Information**

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b. Also complete this part to provide any additional information

| Identifier   | Return Reference          | Explanation  |
|--|---------------------------|--|
| USE OF ENDOWMENT FUNDS                                     | SCH D, PART V, LINE 4     | ALL ENDOWMENT FUNDS ARE PERMANENTLY RESTRICTED<br>ALL CUMULATIVE UNDISTRIBUTED ENDOWMENT INCOME<br>IS HELD IN TEMPORARILY RESTRICTED THE PRINCIPAL,<br>OR ORIGINAL GIFT AMOUNT, IS HELD IN PERPETUITY AND<br>CANNOT BE USED, OR TRANSFERRED TO RELATED<br>ORGANIZATIONS AS FUNDING OR GRANT REVENUE ONLY<br>THE NET INVESTMENT INCOME, WITHIN POLICY<br>GUIDELINES AND THRESHOLDS, CAN BE USED ANNUALLY  |
| CONSOLIDATED AUDIT<br>FOOTNOTE FOR ASC 740 (FKA FIN<br>48) | SCH D, PART X, LINE 2     | ACCOUNTING STANDARDS CODIFICATION (ASC) 740,<br>INCOME TAXES, CLARIFIES THE ACCOUNTING FOR<br>INCOME TAXES BY PRESCRIBING A MINIMUM<br>RECOGNITION THRESHOLD THAT A TAX POSITION IS<br>REQUIRED TO MEET BEFORE BEING RECOGNIZED IN THE<br>FINANCIAL STATEMENTS ASC 740 ALSO PROVIDES<br>GUIDANCE ON DERECOGNITION, MEASUREMENT,<br>CLASSIFICATION, INTEREST AND PENALTIES,<br>DISCLOSURE AND TRANSITION THE GUIDANCE IS<br>APPLICABLE TO PASS-THROUGH ENTITIES AND TAX-<br>EXEMPT ORGANIZATIONS NO SIGNIFICANT TAX<br>LIABILITY FOR TAX BENEFITS, INTEREST OR PENALTIES<br>WAS ACCRUED AT JUNE 30, 2013 AND 2012 |
| OTHER REVENUE REPORTED ON<br>AFS AND NOT ON FORM 990       | SCH D, PART XII, LINE 2D  | THE (\$205,814) REPRESENTS THE FOLLOWING (\$359,035)<br>= CHANGE IN VALUE OF SPLIT-INTEREST AGREEMENTS,<br>\$153,222 = RECLASS OF DIRECT EXPENSES RELATED TO<br>THE GROSS INCOME PORTION OF ALL FUNDRAISING<br>EVENTS DURING THE YEAR, AND (\$1) = ROUNDING  |
| OTHER EXPENSES REPORTED ON<br>AFS AND NOT ON FORM 990      | SCH D, PART XIII, LINE 2D | \$153,222 = RECLASS OF DIRECT EXPENSES RELATED TO<br>FUNDRAISING EVENTS  |



**Part II Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

|    |  | (a) Event #1                | (b) Event #2                     | (c) Other events           | (d) Total events<br>(add col (a) through<br>col (c)) |
|----|--|-----------------------------|----------------------------------|----------------------------|--|
|    |  | <u>GALA</u><br>(event type) | <u>CORP GOLF</u><br>(event type) | <u>1</u><br>(total number) |  |
| 1  | Gross receipts . . .   | 327,300                     | 112,440                          | 22,189                     | 461,929  |
| 2  | Less Contributions . . .   | 238,700                     | 68,690                           | 14,744                     | 322,134  |
| 3  | Gross income (line 1<br>minus line 2) . . .                          | 88,600                      | 43,750                           | 7,445                      | 139,795  |
| 4  | Cash prizes . . .  |                             | 250                              |                            | 250  |
| 5  | Noncash prizes . . .   |                             |                                  |                            |  |
| 6  | Rent/facility costs . . .  | 25,025                      | 12,000                           | 0                          | 37,025   |
| 7  | Food and beverages . . .   | 72,970                      | 13,814                           | 4,183                      | 90,967   |
| 8  | Entertainment . . .  | 5,175                       | 0                                | 0                          | 5,175  |
| 9  | Other direct expenses . .  | 10,661                      | 5,157                            | 3,987                      | 19,805   |
| 10 | Direct expense summary Add lines 4 through 9 in column (d) . . . . . |                             |                                  |                            | (153,222) ►  |
| 11 | Net income summary Combine line 3, column (d), and line 10 . . . . . |                             |                                  |                            | -13,427 ►  |

**Part III Gaming.** Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

|   |   | (a) Bingo   | (b) Pull tabs/Instant<br>bingo/progressive bingo            | (c) Other gaming  | (d) Total gaming (add<br>col (a) through col<br>(c)) |
|---|---|---|---|---|--|
|   |   |   |   |   |  |
| 1 | Gross revenue . . . .   |   |   |   |  |
| 2 | Cash prizes . . . .   |   |   |   |  |
| 3 | Non-cash prizes . . . .   |   |   |   |  |
| 4 | Rent/facility costs . . . .   |   |   |   |  |
| 5 | Other direct expenses . .   |   |   |   |  |
| 6 | Volunteer labor . . . .   | <input type="checkbox"/> Yes<br><input type="checkbox"/> No | <input type="checkbox"/> Yes<br><input type="checkbox"/> No | <input type="checkbox"/> Yes<br><input type="checkbox"/> No |  |
| 7 | Direct expense summary Add lines 2 through 5 in column (d) . . . . .    |   |   |   | ►  |
| 8 | Net gaming income summary Combine lines 1 and 7 in column (d) . . . . . |   |   |   | ►  |

9 Enter the state(s) in which the organization operates gaming activities \_\_\_\_\_

a Is the organization licensed to operate gaming activities in each of these states? . . . . .  Yes  No

b If "No," explain \_\_\_\_\_  
\_\_\_\_\_

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? . . . . .  Yes  No

b If "Yes," explain \_\_\_\_\_  
\_\_\_\_\_

Does the organization operate gaming activities with nonmembers?  Yes  No

**12** Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?  Yes  No

**13** Indicate the percentage of gaming activity operated in

|                                      |            |
|--------------------------------------|------------|
| <b>a</b> The organization's facility | <b>13a</b> |
| <b>b</b> An outside facility         | <b>13b</b> |

**14** Enter the name and address of the person who prepares the organization's gaming/special events books and records

Name ► \_\_\_\_\_

Address ► \_\_\_\_\_

**15a** Does the organization have a contract with a third party from whom the organization receives gaming revenue?  Yes  No

**b** If "Yes," enter the amount of gaming revenue received by the organization ► \$ \_\_\_\_\_ and the amount of gaming revenue retained by the third party ► \$ \_\_\_\_\_

**c** If "Yes," enter name and address of the third party

Name ► \_\_\_\_\_

Address ► \_\_\_\_\_

**16** Gaming manager information

Name ► \_\_\_\_\_

Gaming manager compensation ► \$ \_\_\_\_\_

Description of services provided ► \_\_\_\_\_

Director/officer

Employee

Independent contractor

**17** Mandatory distributions

**a** Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?  Yes  No

**b** Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ► \$ \_\_\_\_\_

**Part IV Supplemental Information.** Complete this part to provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

| Identifier | Return Reference | Explanation |
|------------|------------------|-------------|
|------------|------------------|-------------|

## Schedule I (Form 990)

## **Grants and Other Assistance to Organizations, Governments and Individuals in the United States**

**Complete if the organization answered "Yes," to Form 990, Part IV, line 21 or 22**

**► Attach to Form 990**

2012

**Open to Public  
Inspection**

Department of the Treasury  
Internal Revenue Service

---

Name of the organization

SADDLEBACK MEMORIAL FOUNDATION

**Employer identification number**

33-0011887

## **Part I General Information on Grants and Assistance**

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . .  Yes  No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

**Part II Grants and Other Assistance to Governments and Organizations in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

Yes  No

**(a) Name and address of organization or government**      **(b) EIN**      **(c) IRC Code section if applicable**      **(d) Amount of cash grant**      **(e) Amount of non-cash assistance**      **(f) Method of valuation (book, FMV, appraisal, other)**      **(g) Description of non-cash assistance**      **(h) Purpose of grant or assistance**

(1) SADDLEBACK 95-2585792 501(C)(3) 4,772,300 SEE PART IV  
MEMORIAL MEDICAL  
CENTER  
24451 HEALTH CTR DR  
LAGUNA HILLS, CA 92653

**Part III Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

| (a) Type of grant or assistance | (b) Number of recipients | (c) Amount of cash grant | (d) Amount of non-cash assistance | (e) Method of valuation (book, FMV, appraisal, other) | (f) Description of non-cash assistance |
|---------------------------------|--------------------------|--------------------------|-----------------------------------|---|--|
|                                 |                          |                          |                                   |   |  |
|                                 |                          |                          |                                   |   |  |
|                                 |                          |                          |                                   |   |  |
|                                 |                          |                          |                                   |   |  |
|                                 |                          |                          |                                   |   |  |
|                                 |                          |                          |                                   |   |  |
|                                 |                          |                          |                                   |   |  |

**Part IV Supplemental Information.**

Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information

| Identifier  | Return Reference                       | Explanation  |
|---|--|--|
| DESCRIPTION OF ORGANIZATION'S PROCEDURES FOR MONITORING THE USE OF GRANTS | FORM 990, SCHEDULE I, PART I, LINE 2   | A PORTION OF THE GRANTS GIVEN TO SADDLEBACK MEMORIAL MEDICAL CENTER (SMMC) ARE USED FOR THE SCHOLARSHIP PROGRAM SMMC, OFFERS SCHOLARSHIPS TO ALL ELIGIBLE STAFF (CLINICAL AND NON-CLINICAL) OF THE AFFILIATED MEDICAL CENTER ON AN ANNUAL BASIS. RECIPIENTS ARE CHOSEN BY THE SCHOLARSHIP COMMITTEE ANNUALLY FROM A POOL OF APPLICANTS. THERE ARE VARIOUS REQUIREMENTS AND CRITERIA THAT MUST BE MET IN ORDER TO BE AWARDED A SCHOLARSHIP FROM THE ORGANIZATION. THE PURPOSE OF THE SCHOLARSHIP PROGRAM IS TO ASSIST IN THE EDUCATION OF CURRENT STAFF TO ENHANCE THE MEDICAL AND ADMINISTRATIVE FUNCTION OF THE AFFILIATED MEDICAL CENTER'S TREATMENT AND SERVICES PROVIDED TO THE COMMUNITY. THE PROCESS INVOLVES POTENTIAL RECIPIENTS RECEIVING ENDORSEMENTS FROM SENIOR STAFF IN ADDITION TO PERSONAL NARRATIVES FROM EACH, AND AN EXPLANATION OF FINANCIAL NEED. THE PACKETS, AND ALL REQUIRED INFORMATION AND DOCUMENTATION IS DISTRIBUTED TO THE SCHOLARSHIP COMMITTEE FOR SCORING AND RANKING, AND ULTIMATE SELECTION OF AWARDEES. THE REQUIREMENTS INCLUDE THE FOLLOWING: 1) MUST BE AN ELIGIBLE EMPLOYEE, 2) MUST ATTEND, OR BE ATTENDING AN ACCREDITED INSTITUTION, 3) THE AREA OF STUDY MUST BE RELATED TO CAREER GOALS AT THE AFFILIATED MEDICAL CENTER (CLINICAL OR NON-CLINICAL), AND 4) THE EDUCATIONAL PERFORMANCE AND ADHERENCE TO AFOREMENTIONED CRITERIA OF THE RECIPIENT IS MONITORED THROUGHOUT THE AWARD YEAR. DEPARTMENTS WITHIN SMMC REQUEST GRANTS FROM THE FOUNDATION BY SUBMITTING REQUEST FORMS TO THE PRESIDENT OF THE FOUNDATION. THE GRANT REQUEST FORM IS COMPLETED BY THE INDIVIDUALS AUTHORIZED TO INITIATE THE REQUEST AND MUST INCLUDE ALL SUPPORTIVE DOCUMENTATION. THE PRESIDENT WILL PRESENT THE REQUESTS TO THE FOUNDATION'S GRANTS COMMITTEE FOR REVIEW AND EVALUATION. ALL REQUESTS HAVE THE APPROVAL AND ENDORSEMENT OF THE DEPARTMENT'S EXECUTIVE DIRECTOR, THE CHIEF OPERATING OFFICER, AND THE CHIEF FINANCIAL OFFICER OF SMMC. THE APPROVAL AND ENDORSEMENT OF GRANT REQUESTS ARE THE RESPONSIBILITY OF THE REQUESTOR. THE PRESIDENT OF THE FOUNDATION IS RESPONSIBLE FOR MONITORING, RECEIVING, PROCESSING AND REPORTING ALL GRANT REQUESTS. THE PRESIDENT REVIEWS ALL REQUESTS WITH THE CHIEF OPERATING OFFICER AND THE CHIEF FINANCIAL OFFICER OF SMMC PRIOR TO SUBMISSION TO THE FOUNDATION'S GRANTS COMMITTEE. REQUESTS OF \$100,000 OR MORE ARE REVIEWED WITH THE CHIEF EXECUTIVE OFFICER OF SMMC. THE GRANTS COMMITTEE MEETS TWICE A YEAR IN THE MONTHS OF APRIL AND OCTOBER. ALL REQUESTS FOR CAPITAL AND PROGRAM SERVICE EXPENDITURES ARE SUBMITTED BY THE ADMINISTRATION OF SMMC FOR REVIEW NO LATER THAN APRIL 1ST PRIOR TO THE FISCAL YEAR IN WHICH MONIES ARE TO BE EXPENDED. THE FOUNDATION'S PRESIDENT MEETS WITH THE CHIEF OPERATING OFFICER AND CHIEF FINANCIAL OFFICER OF SMMC IN ORDER TO DETERMINE WHICH CAPITAL ITEMS (PROPERTY, PLANT, BUILDING, EQUIPMENT, OR PROJECTS) AND PROGRAM SERVICES ARE MOST NEEDED BY SMMC. THE FOUNDATION'S GRANTS COMMITTEE CONSIDERS EACH GRANT SEPARATELY AND DETERMINES WHICH OF THOSE REQUESTS PROVIDES ASSISTANCE MOST NEEDED BY SMMC. THE GRANTS COMMITTEE MAY SEEK THE ASSISTANCE OF SMMC'S CHIEF EXECUTIVE OFFICER, CHIEF OPERATING OFFICER AND/OR CHIEF FINANCIAL OFFICER IN PRIORITIZING THOSE NEEDS. THE TOTAL GRANT REQUESTS APPROVED DURING ANY FISCAL YEAR SHALL NOT BE A TOTAL AMOUNT THAT WOULD JEOPARDIZE THE FINANCIAL AND OPERATIONAL VIABILITY OF THE FOUNDATION IN ORDER TO FURTHER ITS MISSION AND PURPOSE. |
| PURPOSE OF GRANT OR ASSISTANCE  | FORM 990, SCHEDULE I, PART II, LINE IH | THE TOTAL CONSISTS OF THE FOLLOWING AMOUNTS: CAPITAL EQUIPMENT \$1,329,519 FOR HOSPITAL RENOVATION PROJECT \$1,113,150 FOR PORTION OF THE COST OF INPATIENT MRI \$1,000,000 FOR PORTION OF THE COST OF SIEMENS BI-PLANE \$206,557 FOR MONITORS & TRANSMITTERS IN ICU & EMERGENCY DEPARTMENT \$147,447 FOR RADIOLOGY & FLUOROSCOPY ROOM REPLACEMENT AT SAN CLEMENTE \$143,400 FOR RETINAL EQUIPMENT \$89,106 FOR ELECTRIC STRETCHERS \$65,097 FOR ULTRASOUND & 3D TEE \$45,773 FOR BONDING ROOM PROJECT \$39,000 FOR REPLACEMENT OF FRONT ENTRANCE CANOPY AT SAN CLEMENTE \$38,495 FOR LABOR EVALUATION ROOM RENOVATION PROJECT \$34,986 FOR ULTRASOUND TRANSCRANIAL DOPPLER \$28,347 FOR ANESTHESIA MACHINE \$9,674 FOR NICU RENOVATION PROJECT \$6,670 FOR REMAINDER OF BLOOD DONOR CENTER RENOVATION PROJECT \$5,905 FOR SECURE PRESCRIPTION PRINTER IN THE EMERGENCY DEPARTMENT \$3,894 FOR REPLACEMENT SCALE FOR CHILDREN'S HEALTH SERVICES PROGRAM SERVICES \$353,900 FOR HOSPICE AND HOME CARE SERVICES PROGRAMS \$43,200 FOR SCHOLARSHIP PROGRAM \$20,000 FOR MEMORIAL CARE SENIOR PLUS PROGRAM, A SENIOR ADVOCACY GROUP \$11,000 FOR INFANT SAFETY CLASSES & NICU DIARIES \$11,000 FOR VOLUNTEER SERVICES PROGRAMS \$10,000 FOR MEALS ON WHEELS PROGRAM \$7,479 FOR DISEASE MANAGEMENT PROGRAM \$7,200 FOR CARE TV CHANNEL AT SAN CLEMENTE \$1,500 FOR WOMEN'S HOSPITAL BEREAVEMENT PROGRAM.   |

**Schedule J**  
(Form 990)**Compensation Information**

OMB No 1545-0047

Department of the Treasury  
Internal Revenue Service

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees  
**► Complete if the organization answered "Yes" to Form 990, Part IV, question 23.**  
**► Attach to Form 990. ► See separate instructions.**

**2012****Open to Public Inspection**Name of the organization  
SADDLEBACK MEMORIAL FOUNDATION**Employer identification number**

33-0011887

**Part I Questions Regarding Compensation**

**1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items

|  |  |
|--|--|
| <input type="checkbox"/> First-class or charter travel             | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions                     | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees   |
| <input type="checkbox"/> Discretionary spending account            | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

**b** If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

**2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

**3** Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III

|  |  |
|--|--|
| <input type="checkbox"/> Compensation committee              | <input type="checkbox"/> Written employment contract                     |
| <input type="checkbox"/> Independent compensation consultant | <input type="checkbox"/> Compensation survey or study                    |
| <input type="checkbox"/> Form 990 of other organizations     | <input type="checkbox"/> Approval by the board or compensation committee |

**4** During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization

**a** Receive a severance payment or change-of-control payment?

**b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?

**c** Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

**Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.**

**5** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of

**a** The organization?

**b** Any related organization?

If "Yes," to line 5a or 5b, describe in Part III

**6** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of

**a** The organization?

**b** Any related organization?

If "Yes," to line 6a or 6b, describe in Part III

**7** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

**8** Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

**9** If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

|           | <b>Yes</b> | <b>No</b> |
|-----------|------------|-----------|
| <b>1b</b> |            |           |
| <b>2</b>  |            |           |
| <b>4a</b> |            | No        |
| <b>4b</b> | Yes        |           |
| <b>4c</b> |            | No        |
| <b>5a</b> |            | No        |
| <b>5b</b> |            | No        |
| <b>6a</b> |            | No        |
| <b>6b</b> |            | No        |
| <b>7</b>  | Yes        |           |
| <b>8</b>  |            | No        |
| <b>9</b>  |            |           |

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

**Note.** The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

| (A) Name and Title                              | (B) Breakdown of W-2 and/or 1099-MISC compensation |                                     |                                     | (C) Retirement and other deferred compensation | (D) Nontaxable benefits | (E) Total of columns (B)(i)-(D) | (F) Compensation reported as deferred in prior Form 990 |
|---|--|-------------------------------------|-------------------------------------|--|-------------------------|---------------------------------|---|
|   | (i) Base compensation                              | (ii) Bonus & incentive compensation | (iii) Other reportable compensation |  |                         |                                 |   |
| (1) CECILIA BELEW<br>PRESIDENT                  | (i) 0<br>(ii) 218,609                              | 0<br>72,994                         | 0<br>39,707                         | 0<br>12,500                                    | 0<br>11,989             | 0<br>355,799                    | 0<br>0  |
| (2) STEPHEN B GEIDT<br>BOARD MEMBER, EX-OFFICIO | (i) 0<br>(ii) 379,083                              | 0<br>199,363                        | 0<br>42,608                         | 0<br>25,000                                    | 0<br>14,822             | 0<br>660,876                    | 0<br>0  |
| (3) BRIAN KRAWIEC<br>CFO/DIRECTOR OF<br>FINANCE | (i) 0<br>(ii) 122,622                              | 0<br>4,674                          | 0<br>10,500                         | 0<br>11,084                                    | 0<br>5,810              | 0<br>154,690                    | 0<br>0  |

**Part III Supplemental Information**

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

| Identifier                            | Return Reference       | Explanation   |
|---------------------------------------|------------------------|---|
| SUPPLEMENTAL COMPENSATION INFORMATION | SCH J, PART I, LINE 3  | THE COMPENSATION OF THE ORGANIZATION'S PRESIDENT IS DETERMINED BY MEMORIAL HEALTH SERVICES (MHS), THE TAX-EXEMPT PARENT OF SADDLEBACK MEMORIAL MEDICAL CENTER. SEE SCHEDULE O FOR 990, PART VI, LINE 15A FOR THE PROCESS USED BY MHS TO DETERMINE COMPENSATION.   |
| SERP                                  | SCH J, PART I, LINE 4B | MEMORIAL HEALTH SERVICES SPONSORS A SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN (SERP), COVERING SELECTED EXECUTIVES, AS APPROVED BY THE COMPENSATION COMMITTEE OF THE BOARD. THE SERP PROVIDES FOR A LUMP SUM PAYMENT TO EACH EXECUTIVE AT VESTING DATE, AS DEFINED IN THE SERP AGREEMENT. THERE WERE NO SERP PAYOUTS DURING FISCAL YEAR 2013.  |
| INCENTIVE PAYMENTS                    | SCH J, PART I, LINE 7  | CERTAIN MEMBERS OF EXECUTIVE MANAGEMENT RECEIVE PART OF THEIR OVERALL COMPENSATION IN THE FORM OF AN INCENTIVE PAYMENT. SEVERAL DIFFERENT FINANCIAL AND NON-FINANCIAL METRICS ARE UTILIZED IN THE FORMULA, WHICH ARE REVIEWED AND APPROVED EACH YEAR IN ADVANCE BY THE COMPENSATION COMMITTEE OF THE MEMORIAL HEALTH SERVICES (MHS) BOARD OF DIRECTORS. ANY INCENTIVE PAYMENTS AWARDED ARE ALSO APPROVED ANNUALLY BY THE COMPENSATION COMMITTEE, AFTER AN AUDIT AND/OR REVIEW HAS BEEN CONDUCTED. ALL ANNUAL INCENTIVE PAYMENTS ARE DISCRETIONARY, AND ARE NOT PREDETERMINED, OR FIXED, BY THE COMPENSATION COMMITTEE OF THE MEMORIAL HEALTH SERVICES (MHS) BOARD OF DIRECTORS. |

**SCHEDULE O**  
(Form 990 or 990-EZ)Department of the Treasury  
Internal Revenue Service**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on  
Form 990 or to provide any additional information.  
► Attach to Form 990 or 990-EZ.

**2012****Open to Public  
Inspection**

Name of the organization

SADDLEBACK MEMORIAL FOUNDATION

**Employer identification number**

33-0011887

| Identifier                                 | Return Reference                    | Explanation  |
|--|-------------------------------------|--|
| DESCRIPTION OF EXEMPT PURPOSE ACHIEVEMENTS | FORM 990, PART III, QUESTIONS 4A-4D | 4A PROGRAM SERVICE PROVIDED GRANTS FOR SADDLEBACK MEMORIAL MEDICAL CENTER CAPITAL ITEMS HOSPITAL RENOVATION PROJECT - \$1,329,519 INPATIENT MRI - \$1,113,150 SIEMENS BI-PLANE - \$1,000,000 MONITORS & TRANSMITTERS IN ICU & EMERGENCY DEPARTMENT - \$206,557 RADIOLOGY & FLUOROSCOPY ROOM REPLACEMENT AT SAN CLEMENTE - \$147,447 RETINAL EQUIPMENT - \$143,400 ELECTRIC STRETCHERS - \$89,106 ULTRASOUND & 3D TEE - \$65,097 BONDING ROOM PROJECT - \$45,773 REPLACE FRONT ENTRANCE CANOPY AT SAN CLEMENTE - \$39,000 LABOR EVALUATION ROOM RENOVATION PROJECT - \$38,495 ULTRASOUND TRANSCRANIAL DOPPLER - \$34,986 ANESTHESIA MACHINE - \$28,347 NICU RENOVATION PROJECT - \$9,674 BLOOD DONOR CENTER RENOVATION PROJECT - \$6,670 SECURE PRESCRIPTION PRINTER IN THE EMERGENCY DEPARTMENT - \$5,905 REPLACEMENT SCALE FOR CHILDREN'S HEALTH SERVICES - \$3,894 4B PROGRAM SERVICE PROVIDED GRANTS FOR SADDLEBACK MEMORIAL MEDICAL CENTER HOSPICE & HOME CARE PROGRAMS TOTAL FOR PROGRAMS - \$353,900 4C PROGRAM SERVICE PROVIDED GRANTS FOR SADDLEBACK MEMORIAL MEDICAL CENTER SCHOLARSHIP PROGRAM TOTAL FOR PROGRAM - \$43,200 4D PROGRAM SERVICE OTHER PROGRAM SERVICES CONSIST OF GRANTS TO SADDLEBACK MEMORIAL MEDICAL CENTER FOR THE FOLLOWING AMOUNTS AND RELATED PROGRAMS MEMORIAL CARE SENIOR PLUS PROGRAM, A SENIOR ADVOCACY GROUP - \$20,000 INFANT SAFETY CLASSES & NICU DIARIES - \$11,000 VOLUNTEER SERVICES PROGRAMS - \$11,000 MEALS ON WHEELS PROGRAM - \$10,000 DISEASE MANAGEMENT PROGRAM - \$7,479 CARE TV CHANNEL AT SAN CLEMENTE - \$7,200 WOMEN'S HOSPITAL BEREAVEMENT PROGRAM - \$1,500 |

| Identifier                                       | Return Reference | Explanation   |
|--|------------------|---|
| FORM 990, PART V<br>LINE 2A & PART IX,<br>LINE 5 |                  | SADDLEBACK MEMORIAL FOUNDATION EMPLOYEE'S W-2S ARE ISSUED BY A RELATED<br>ORGANIZATION SADDLEBACK MEMORIAL FOUNDATION REIMBURSES THE RELATED<br>ORGANIZATION FOR THESE EXPENSES THESE EXPENSES ARE REFLECTED IN PART IX |

| Identifier                                | Return Reference               | Explanation  |
|---|--------------------------------|--|
| DESCRIPTION OF GOVERNING BOARD DELEGATION | FORM 990, PART VI, QUESTION 1A | THE SADDLEBACK MEMORIAL FOUNDATION (SMF) BOARD OF DIRECTORS (BOARD) HAS APPOINTED AN EXECUTIVE COMMITTEE TO CONDUCT THE BUSINESS OF SMF BETWEEN SCHEDULED MEETINGS OF THE BOARD. THE SMF BOARD HAS DELEGATED BROAD AUTHORITY TO THE EXECUTIVE COMMITTEE MEMBERS IN ORDER TO CONDUCT ALL NECESSARY BUSINESS OF SMF, INCLUDING FINANCIAL AND OPERATIONAL MATTERS THAT REQUIRE A VOTE. ALL EXECUTIVE COMMITTEE MEMBERS, WHO ARE ALSO BOARD MEMBERS WITH FULL VOTING PRIVILEGES, ARE APPOINTED BY THE BOARD AT ALL TIMES. THERE ARE TO BE NO LESS THAN FIVE (5) EXECUTIVE COMMITTEE MEMBERS APPOINTED. THE EXECUTIVE COMMITTEE IS CHAIRED BY THE CHAIRMAN OF THE SMF BOARD, AND ALSO INCLUDES THE SMF PRESIDENT AS AN EX-OFFICIO MEMBER. |

| Identifier   | Return Reference                 | Explanation  |
|--|----------------------------------|--|
| DESCRIPTION OF BUSINESS OR FAMILY<br>RELATIONSHIPS | FORM 990, PART VI,<br>QUESTION 2 | BEBE SHADDOCK AND J SCOTT REID HAVE A FAMILY<br>RELATIONSHIP |

| Identifier                             | Return Reference              | Explanation   |
|--|-------------------------------|---|
| DESCRIPTION OF MEMBERS OR STOCKHOLDERS | FORM 990, PART VI, QUESTION 6 | SADDLEBACK MEMORIAL MEDICAL CENTER (SMMC), A RELATED TAX-EXEMPT ORGANIZATION IS THE SOLE CORPORATE MEMBER OF SADDLEBACK MEMORIAL FOUNDATION (SMF) |

| Identifier   | Return Reference               | Explanation   |
|--|--------------------------------|---|
| DESCRIPTION OF CLASSES OF PERSONS AND THE NATURE OF THEIR RIGHTS | FORM 990, PART VI, QUESTION 7A | SADDLEBACK MEMORIAL MEDICAL CENTER (SMMC), A RELATED TAX-EXEMPT ORGANIZATION, IS THE SOLE CORPORATE MEMBER OF SADDLEBACK MEMORIAL FOUNDATION (SMF) THE SMMC BOARD APPOINTS THE MEMBERS OF THE SMF BOARD |

| Identifier   | Return Reference               | Explanation   |
|--|--------------------------------|---|
| DESCR CLASSES OF PERSONS, DECISIONS REQUIRING APPR & TYPE OF VOTING RIGHTS | FORM 990, PART VI, QUESTION 7B | SADDLEBACK MEMORIAL MEDICAL CENTER (SMMC), A RELATED TAX EXEMPT ORGANIZATION, IS THE SOLE CORPORATE MEMBER OF SADDLEBACK MEMORIAL FOUNDATION (SMF) THE SMMC BOARD APPOINTS THE MEMBERS OF THE SMF BOARD THE SMMC BOARD HAS THE POWER TO VOTE ON THE NOMINATION OF ANY CANDIDATE OF SMF'S BOARD, ANY AMENDMENTS TO SMF'S BYLAWS, AND, IN CONJUNCTION WITH A MAJORITY VOTE OF SMF'S BOARD, MAY SET RESTRICTIONS ON THE USE OF SMF'S ASSETS, OR DISTRIBUTION OF ASSETS IN THE EVENT OF SMF'S DISSOLUTION |

| Identifier  | Return Reference                | Explanation  |
|---|---------------------------------|--|
| DESCRIBE THE PROCESS USED BY MANAGEMENT &/OR GOVERNING BODY TO REVIEW 990 | FORM 990, PART VI, QUESTION 11B | THE ORGANIZATION'S CFO REVIEWS THE FORM 990 TO ENSURE THE ACCURACY OF THE FOLLOWING INFORMATION: ALL FINANCIAL DATA FOR THE REPORTING PERIOD, ANSWERS TO TAX COMPLIANCE QUESTIONS, ANSWERS TO POLICY AND GOVERNANCE QUESTIONS, ALL SCHEDULES, AND ALL REQUIRED NARRATIVES. THE ORGANIZATION'S FORM 990 IS THEN REVIEWED BY THE BOARD (A COPY MADE AVAILABLE TO EACH MEMBER) PRIOR TO FILING WITH THE IRS. QUESTIONS AND COMMENTS FROM THE GOVERNING BOARD ARE ADDRESSED BEFORE THE FINAL VERSION IS FILED. |

| Identifier   | Return Reference                | Explanation  |
|--|---------------------------------|--|
| DESCRIPTION OF PROCESS TO MONITOR TRANSACTIONS FOR CONFLICTS OF INTEREST | FORM 990, PART VI, QUESTION 12C | THE GENERAL COUNSEL'S OFFICE ANNUALLY SURVEYS EACH DIRECTOR AND OFFICER AND REQUIRES AFFIRMATION THAT THE CONFLICT OF INTEREST POLICY HAS BEEN READ AND UNDERSTOOD THE RESULTS OF THE SURVEY ARE REPORTED TO THE GOVERNANCE COMMITTEE OF THE SADDLEBACK MEMORIAL MEDICAL CENTER, THE PARENT ORGANIZATION, WHICH IS RESPONSIBLE FOR GOVERNANCE, OVERSIGHT, AND NOMINATIONS. CONFLICTS ARE EVALUATED FOR BEING OCCASIONAL OR DISABLING IN NATURE. THE GENERAL COUNSEL MAKES THE INITIAL EVALUATION AND ADVISES THE GOVERNANCE COMMITTEE IN ITS DELIBERATIONS. IF AN OCCASIONAL CONFLICT IS IDENTIFIED, THE GENERAL COUNSEL ADVISES THE SUBJECT DIRECTOR OR OFFICER AND GOVERNANCE COMMITTEE IN A 'REBUTTABLE PRESUMPTION' TYPE PROCESS. SHOULD A DISABLING CONFLICT BE IDENTIFIED, THE DIRECTOR OR OFFICER RESIGNS OR IS REMOVED UPON THE RECOMMENDATION OF THE GENERAL COUNSEL, GOVERNANCE COMMITTEE, AND BOARD OF DIRECTORS. IN ADDITION, AN ANNUAL NOTICE IS SENT BY EMAIL (TO EACH EMPLOYEE WITH ACCESS TO EMAIL) REGARDING THE ACCEPTANCE OF GIFTS AND CORRESPONDING POLICIES |

| Identifier   | Return Reference                        | Explanation  |
|--|---|--|
| OFFICES & POSITIONS FOR WHICH PROCESS WAS USED, & YEAR PROCESS WAS BEGUN | FORM 990, PART VI, QUESTION 15A AND 15B | THE CEO OF THE ORGANIZATION IS NOT COMPENSATED BY THE FILING ORGANIZATION, BUT RATHER BY THE TAX EXEMPT PARENT MEMORIALCARE HEALTH SERVICES (MHS) FOLLOWING IS THE PROCESS THAT THE PARENT ORGANIZATION UNDERTAKES TO APPROVE THE CEO'S COMPENSATION. WITHIN THE ORGANIZATION, THE COMPENSATION OF VICE PRESIDENT'S AND ABOVE IS REVIEWED BY AN EXTERNAL CONSULTANT WITH FINAL REVIEW AND APPROVAL BY THE COMPENSATION COMMITTEE OF THE MEMORIALCARE HEALTH SERVICES (MHS) BOARD OF DIRECTORS AND THEIR OUTSIDE COUNSEL. ALL MARKET DATA IS OBTAINED FROM THIRD PARTY SURVEY SOURCES. MARKET DATA REVIEWS ARE COMPLETED CONSISTENTLY ON AN ANNUAL BASIS IN ORDER TO DETERMINE APPROPRIATE COMPENSATION FOR THE CURRENT REPORTING PERIOD, THE COMPENSATION DETERMINATION PROCESS WAS COMPLETED IN FISCAL YEAR 2013. THE PROCESS OF DETERMINING THE COMPENSATION IS DOCUMENTED IN THE MINUTES OF THE MEMORIALCARE HEALTH SERVICES BOARD MEMORIALCARE HEALTH SERVICES BOARD |

| Identifier  | Return Reference               | Explanation  |
|---|--------------------------------|--|
| AVAIL OF GOV DOCS, CONFLICT OF INTEREST POLICY, & FIN STMTS TO GEN PUBLIC | FORM 990, PART VI, QUESTION 19 | CURRENTLY, THE ORGANIZATION DOES NOT MAKE THE GOVERNING DOCUMENTS (ARTICLES OF INCORPORATION, BYLAWS, AND CONFLICT OF INTEREST POLICY) AVAILABLE TO THE GENERAL PUBLIC. HOWEVER, THE ARTICLES OF INCORPORATION ARE AVAILABLE FROM THE CALIFORNIA SECRETARY OF STATE'S OFFICE VIA WRITTEN REQUEST. AUDITED FINANCIAL STATEMENTS ARE AVAILABLE TO THE GENERAL PUBLIC WHEN REQUESTS ARE MADE IN PERSON OR IN WRITING. |

| Identifier                                   | Return Reference          | Explanation   |
|--|---------------------------|---|
| OTHER CHANGES IN NET ASSETS OR FUND BALANCES | FORM 990, PART XI, LINE 5 | CHANGE IN VALUE OF SPLIT-INTEREST AGREEMENTS \$( 359,035)<br>ROUNDING \$( 1) ----- TOTAL \$( 359,036) |

## **SCHEDULE R (Form 990)**

## Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2012

**Open to Public  
Inspection**

Department of the Treasury  
Internal Revenue Service

Name of the organization  
SADDLEBACK MEMORIAL FOUNDATION

**Employer identification number**

33-0011887

**Part I Identification of Disregarded Entities** (Complete if the organization answered "Yes" to Form 990, Part IV, line 33.)

| (a)<br>Name, address, and EIN (if applicable) of disregarded entity | (b)<br>Primary activity | (c)<br>Legal domicile (state<br>or foreign country) | (d)<br>Total income | (e)<br>End-of-year assets | (f)<br>Direct controlling<br>entity |
|---|-------------------------|---|---------------------|---------------------------|-------------------------------------|
|   |                         |   |                     |                           |                                     |
|   |                         |   |                     |                           |                                     |
|   |                         |   |                     |                           |                                     |
|   |                         |   |                     |                           |                                     |
|   |                         |   |                     |                           |                                     |

**Part II Identification of Related Tax-Exempt Organizations** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

**Part III Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

| (a)<br>Name, address, and EIN of<br>related organization  | (b)<br>Primary activity | (c)<br>Legal<br>domicile<br>(state or<br>foreign<br>country) | (d)<br>Direct<br>controlling<br>entity | (e)<br>Predominant<br>income(related,<br>unrelated,<br>excluded from<br>tax under<br>sections 512-<br>514) | (f)<br>Share of<br>total income | (g)<br>Share of<br>end-of-<br>year<br>assets | (h)<br>Disproportionate<br>allocations? |    | (i)<br>Code V-UBI<br>amount in<br>box 20 of<br>Schedule K-1<br>(Form 1065) | (j)<br>General or<br>managing<br>partner? | (k)<br>Percentage<br>ownership |
|---|-------------------------|--|--|--|---------------------------------|--|---|----|--|---|--------------------------------|
|   |                         |  |  |  |                                 |  | Yes                                     | No |  |   |                                |
| (1) MEMORIALCARE SURG CNTR OC LLC<br><br>9920 TALBERT AVENUE<br>FOUNTAIN VALLEY, CA 92708<br>26-1394069       | HEALTHCARE              | CA   | NA                                     |  |                                 |  |   |    |  |   |                                |
| (2) MEMORIALCARE HOME HEALTH LLC<br><br>23521 PASEO DE VALENCIA STE 100<br>FOUNTAIN VALLEY, CA 92708          | HEALTHCARE              | CA   | NA                                     | N/A  |                                 |  |   |    |  |   |                                |
| (3) BEACH SURGICAL HOLDINGS LLC<br><br>3000 RIVERCHASE GALLERIA STE 500<br>BIRMINGHAM, AL 35244<br>37-1708521 | INVESTMENTS             | CA   | NA                                     | N/A  |                                 |  |   |    |  |   |                                |
| (4) MEMORIALCARE INNOVATION FUND<br><br>320 GOLDEN SHORE STE 120<br>LONG BEACH, CA 90802<br>46-0791893        |                         |  | NA                                     | N/A  |                                 |  |   |    |  |   |                                |
|   |                         |  |  |  |                                 |  |   |    |  |   |                                |
|   |                         |  |  |  |                                 |  |   |    |  |   |                                |
|   |                         |  |  |  |                                 |  |   |    |  |   |                                |
|   |                         |  |  |  |                                 |  |   |    |  |   |                                |

**Part IV Identification of Related Organizations Taxable as a Corporation or Trust** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

| (a)<br>Name, address, and EIN of<br>related organization   | (b)<br>Primary activity | (c)<br>Legal<br>domicile<br>(state or foreign<br>country) | (d)<br>Direct controlling<br>entity | (e)<br>Type of entity<br>(C corp, S corp,<br>or trust) | (f)<br>Share of total<br>income | (g)<br>Share of end-<br>of-year<br>assets | (h)<br>Percentage<br>ownership |    | (i)<br>Section 512<br>(b)(13)<br>controlled<br>entity? |
|--|-------------------------|---|-------------------------------------|--|---------------------------------|---|--------------------------------|----|--|
|  |                         |   |                                     |  |                                 |   | Yes                            | No |  |
| (1) CHARITABLE REMAINDER<br>UNITRUST (9)   | SUPPORT                 | CA  | NA                                  | TRUST  | 0                               | 0   | 71 840 %                       |    |  |
| (2) CHARITABLE REMAINDER<br>ANNUITY TRUST (4)  | SUPPORT                 | CA  | NA                                  | TRUST  | 0                               | 0   | 69 520 %                       |    |  |
| (3) NATIONAL HEALTHCARE<br>SERVICES<br><br>330 GOLDEN SHORE AVENUE<br>LONG BEACH, CA 90802<br>95-3496341       | MEDICAL SERVICES        | CA  | NA                                  | C-CORP   |                                 |   |                                |    |  |
| (4) SADDLEBACK MEDICAL<br>VENTURES<br><br>330 GOLDEN SHORE AVENUE<br>120<br>LONG BEACH, CA 90802<br>33-0308236 | MEDICAL SERVICES        | CA  | NA                                  | C-CORP   |                                 |   |                                |    |  |
| (5) SEASIDE HEALTH PLAN<br><br>2801 ATLANTIC AVE<br>LONG BEACH, CA 90806<br>46-1870181                         | MEDICAL SERVICES        | CA  | NA                                  | C-CORP   |                                 |   |                                |    |  |
|  |                         |   |                                     |  |                                 |   |                                |    |  |
|  |                         |   |                                     |  |                                 |   |                                |    |  |
|  |                         |   |                                     |  |                                 |   |                                |    |  |

**Part V** **Transactions With Related Organizations** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35b, or 36.)

**Note.** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

- a** Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties or **(iv)** rent from a controlled entity
- b** Gift, grant, or capital contribution to related organization(s)
- c** Gift, grant, or capital contribution from related organization(s)
- d** Loans or loan guarantees to or for related organization(s)
- e** Loans or loan guarantees by related organization(s)
  
- f** Dividends from related organization(s)
- g** Sale of assets to related organization(s)
- h** Purchase of assets from related organization(s)
- i** Exchange of assets with related organization(s)
- j** Lease of facilities, equipment, or other assets to related organization(s)
  
- k** Lease of facilities, equipment, or other assets from related organization(s)
- l** Performance of services or membership or fundraising solicitations for related organization(s)
- m** Performance of services or membership or fundraising solicitations by related organization(s)
- n** Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)
- o** Sharing of paid employees with related organization(s)
  
- p** Reimbursement paid to related organization(s) for expenses
- q** Reimbursement paid by related organization(s) for expenses
  
- r** Other transfer of cash or property to related organization(s)
- s** Other transfer of cash or property from related organization(s)

|           | Yes | No |
|-----------|-----|----|
| <b>1a</b> |     | No |
| <b>1b</b> | Yes |    |
| <b>1c</b> | Yes |    |
| <b>1d</b> |     | No |
| <b>1e</b> |     | No |
| <b>1f</b> |     | No |
| <b>1g</b> |     | No |
| <b>1h</b> |     | No |
| <b>1i</b> |     | No |
| <b>1j</b> |     | No |
| <b>1k</b> | Yes |    |
| <b>1l</b> | Yes |    |
| <b>1m</b> |     | No |
| <b>1n</b> |     | No |
| <b>1o</b> |     | No |
| <b>1p</b> | Yes |    |
| <b>1q</b> |     | No |
| <b>1r</b> |     | No |
| <b>1s</b> |     | No |

**2** If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

| (a)<br>Name of other organization | (b)<br>Transaction<br>type (a-s) | (c)<br>Amount involved | (d)<br>Method of determining amount involved |
|-----------------------------------|----------------------------------|------------------------|--|
|                                   |                                  |                        |  |
|                                   |                                  |                        |  |
|                                   |                                  |                        |  |
|                                   |                                  |                        |  |
|                                   |                                  |                        |  |

**Part VI Unrelated Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" to Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

**Software ID:****Software Version:****EIN:** 33-0011887**Name:** SADDLEBACK MEMORIAL FOUNDATION

Schedule R (Form 990) 2012

Page 5

**Part VII Supplemental Information**

Complete this part to provide additional information for responses to questions on Schedule R (see instructions)

| Identifier  | Return Reference     | Explanation  |
|---|----------------------|--|
| IDENTIFICATION OF RELATED TAX-EXEMPT ORGANIZATIONS              | SCHEDULE R, PART II  | THE CENTRAL ORGANIZATION AND OTHER SUBORDINATE ORGANIZATIONS OF THE MHS GROUP EXEMPTION HAVE NOT BEEN INCLUDED IN PART II, IN ACCORDANCE WITH THE IRS INSTRUCTIONS   |
| IDENTIFICATION OF RELATED ORGANIZATIONS TAXABLE AS PARTNERSHIPS | SCHEDULE R, PART III | MEMORIALCARE SURGICAL CENTER AT ORANGE COAST, LLC EIN 26-1394069 ADDRESS 9920 TALBERT AVENUE FOUNTAIN VALLEY, CA 92708<br>92708 MEMORIALCARE HOME HEALTH, LLC EIN PENDING ADDRESS 23521 PASEO DE VALENCIA, STE 100 FOUNTAIN VALLEY, CA 92708<br>BEACH SURGICAL HOLDINGS, LLC EIN 37-1708521 ADDRESS 3000 RIVERCHASE GALLERIA, STE 500 BIRMINGHAM, AL 35244<br>MEMORIALCARE INNOVATION FUND, LP EIN 46-0791893 ADDRESS 320 GOLDEN SHORE, STE 120 LONG BEACH, CA 90802 |

--&gt;